

DEPARTMENT OF ADMINISTRATION
DIVISION OF BANKING AND FINANCIAL INSTITUTIONS



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TO: All Licensed Mortgage Brokers and Lenders

FROM: Montana Division of Banking and Financial Institutions

RE: Nationwide Mortgage Licensing System

DATE: September 28, 2009

The Montana Division of Banking and Financial Institutions is proud to announce that we will begin using the CSBS/AARMR Nationwide Mortgage Licensing System (NMLS) starting on January 4, 2010. NMLS, developed through the Conference of State Bank Supervisors (CSBS) and the American Association of Residential Mortgage Regulators (AARMR), will allow your company to conveniently manage its mortgage license(s) in an electronic format through a secure website.

The Nationwide Mortgage Licensing System is online at: www.stateregulatoryregistry.org/NMLS

The Montana Division of Banking and Financial Institutions' Transition Plan

As a part of the implementation of NMLS, each company holding a **mortgage lender license** must create a company record (Form MU1) in NMLS for themselves and a record for each branch (Form MU3) holding a lender branch license and electronically submit it to the Montana Division of Banking and Financial Institutions between **January 4, 2010 and March 1, 2010**.

Each company, holding a **mortgage broker license** must create a company record (Form MU1) in NMLS for themselves and a record for each branch (Form MU3) holding a broker branch license and electronically submit it to the Montana Division of Banking and Financial Institutions between **January 4, 2010 and May 31, 2010¹**.

NMLS is available immediately for you to begin completing your record.

A copy of Montana Division of Banking and Financial Institutions' transition plan can be found on the NMLS website at www.stateregulatoryregistry.org/NMLS.

¹ If a mortgage broker employs a mortgage loan originator whose license expires on April 1, 2010, the mortgage broker will have to become licensed by March 1, 2010 in order to allow their mortgage loan originator to remain validly licensed.

How to Access NMLS

In order to gain access to NMLS for the first time you must complete a ***Company Account Request Form*** and identify a *Primary Account Administrator* and a *Secondary Account Administrator*. This form can be submitted electronically through the NMLS website in the “Getting Started” section. This form needs only to be submitted once per company, regardless of the number of NMLS participating states in which you are licensed. **IF YOUR COMPANY ALREADY HAS ACCESS TO NMLS, THEN YOU DO NOT NEED TO DO THIS STEP.**

Once you complete and submit this form, the *Primary Account Administrator* will receive NMLS login information within 3 business days. The *Primary Account Administrator* for your company will have full rights to (1) access the System, (2) submit information to this Agency and other participating state mortgage regulators, and (3) set-up other company users in the System. Instructions and tutorials on how to access and use the System are also available on the NMLS website.

Forms to Complete and Fees

Once you are able to access NMLS, you will need to submit the following MU Forms through NMLS to the Montana Division of Banking and Financial Institutions by March 1, 2010 for lenders and May 31, 2010 for brokers². Instructions and tutorials on how to complete these forms are available online.

1. ***Licensed companies*** submit a ***Form MU1***
2. Companies submit for each ***Control Person***³ (such as an executive officer, qualified individual and branch manager) a ***Form MU2***, as part of their Form MU1 filing.
3. Companies submit a ***Form MU3*** for each ***Licensed Branch***
4. Companies submit a ***Form MU4*** all Mortgage ***Loan Originators***¹ or request mortgage loan originators submit themselves and have the company “sponsor” their license.

You may begin completing these forms prior to January 4, 2010 but will not be able to submit them to the Montana Division of Banking and Financial Institutions until that date.

You will receive communication for your mortgage loan originators outlining the process and timelines for additional requirements which must be met in order to meet SAFE Act requirements for licensure. Mortgage loan originators will receive a license in an “Approved – Conditional” status while requirements are satisfied and approved. Full “Approval” will be issued once all additional requirements have been met.

Additional requirements for mortgage loan originators will include:

- *Pre-licensure education or certification*

² If a mortgage broker employs a mortgage loan originator whose license expires on April 1, 2010, the mortgage broker will have to become licensed by March 1, 2010 in order to allow their mortgage loan originator to remain validly licensed.

³ Before a Control Person’s Form MU2 and/or Mortgage Loan Originator’s Form MU4 is submitted to the Montana Division of Banking and Financial Institutions, the subject individual must first attest to the information contained in the form.

- *A Passing Score on a National and State Mortgage Test*
- *Satisfactory criminal background check including fingerprints*
- *Montana satisfactory review of a credit report*
- *Sponsorship request received by company*
- *Experience requirement*

If you have submitted these forms in another state, then you ***do not need to re-enter your company, branch or loan officer records*** into NMLS. You will only need to identify the appropriate license type in Montana and complete a few state specific fields.

Costs

For companies and individuals transitioning an existing license onto NMLS, a system processing fee of \$100 per company license, \$20 per licensed branch location, and \$30 per mortgage loan originator license will be required to be paid electronically through NMLS upon submission. The NMLS processing charges are applied on a per license per state basis.

On an ongoing basis, NMLS will annually charge a processing fee of \$100 per company license, and \$20 per licensed branch location, \$30 per loan originator license, and \$30 each time a mortgage loan originator changes employment.

These processing fees pay for NMLS' operations, including licensee system access 362 days per year, ability to maintain, renew and run reports on your licenses, and call center support.

NMLS Training

The Montana Division of Banking and Financial Institutions will be participating in a Training Workshop Audio Program & Webinar conducted by the State Regulatory Registry LLC for Montana licensees on December 9, 2009. This webinar will provide licensees and applicants with tips on using NMLS to transition and manage one or more licenses. The fee for this workshop is \$75. The NMLS holds training workshops for individuals and companies throughout the year. Click [here](#) to view the workshop schedule and registration details.

NMLS Resource Center

The NMLS website (www.stateregulatoryregistry.org/nmls) provides step-by-step instructions on how to access the system, guides on how to complete the MU Forms, each state's transition plans and requirements, tutorials, current and future participating states, system alerts, system processing fees and general background information.

If you have any questions feel free to contact Chris Romano at (406) 841-2928 or by email at cromano@mt.gov.

Very Truly Yours,

Chris Romano